

**TESTIMONY IN OPPOSITION OF RAISED BILL No. 303 - AN ACT  
CONCERNING RENTERS IN COMMON INTEREST OWNERSHIP  
COMMUNITIES**

**March 10, 2022**

Good afternoon Senator Lopes, Representative Williams, Senator Anwar, Representative Smith, Senator Cicarella, Representative Polletta and members of the Housing Committee. Thank you for the opportunity to provide testimony on behalf of Imagineers, LLC ("Imagineers") in opposition of Raised Bill No. 303, An Act Concerning Renters In Common Interest Ownership Communities.

I am Karl Kuegler, Jr. of Imagineers, LLC where I serve as the Director of Community Association Management for our common interest community management division. From our offices located in Hartford and Seymour, we serve about 200 Connecticut common interest communities comprising about 19,000 homes. Imagineers has been serving Connecticut common interest communities for 41 years. I am registered with the Department of Consumer Protection as a Community Association Manager holding registration number 0000522. I have over 30 years of experience in common interest community management and hold Certified Manager of Community Associations, Association Management Specialist, and Community Association Manager designations from the National Board of Certification for Community Association Managers. Imagineers is a member of the Connecticut Chapter of Community Associations Institute. I serve on the organization's Board of Directors, Legislative Action Committee as its vice chair and chair the organization's annual state educational conference.

Imagineers believes that this bill replaces existing language that allows common interest communities to adjust to changes in federal lending guidelines. The new language also puts at risk associations and the members within. Owners make the choice to purchase a home in a common interest community. Each owner agrees to be subject to the governing documents. The governing documents act as a contract between the unit owners. The governing documents provide protection to the members of the association by helping to maintain the value of each of their homes. Buyers have the peace of mind knowing that their best interests are being protected both by the elected board of directors of their association and the terms of the governing documents. Each association has the ability to amend its governing documents by vote as times change, members opinions evolve and as lender requirements are revised.

Homeowners in common interest communities need to have the ability to put in place reasonable restriction to the percentage of homes that may be rented in their association. In addition to making it possible to obtain a mortgage, it also helps prevent communities from being taken over by an investor owner. In the last decade, we have seen firsthand less affluent communities where an investor begins buying units in a community with the goal of purchasing as many units in the association as possible. Within a short period of time, the investor can begin to control and exert their will over the community. Once the investor owns more than 50% of the units, they have full say in what happens in the community. Left to face the most severe ramification of this monopoly are the owners of the remaining units. They watch as their say in the community becomes nonexistent

while the value in their unit continues to decrease. This is especially sad to see when those units are owner occupied homes. In many cases, the unit represents the largest investment for that homeowner. The dreams of a forever home quickly erode as the community inevitably transitions fully to a rental property as the investor looks ultimately dissolve the common interest community.

For the reasons stated above, we are in opposition of Raised Bill No. 303, An Act Concerning Renters In Common Interest Ownership Communities.